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SANDRA K. ALLEN
LAURA L. MOSER
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OF COUNSEL
PETER W. BILLINGS

HAND DELIVERED

September 20, 1991

Mr. Lowell Braxton
Associate Director of Mining
UTAH DIVISION OF OIL, GAS & MINING
355 West North Temple
3 Triad, Suite 350
Salt Lake City, Utah 84180-1203

RE: Assignment of Notice of Intent to Mine
M-035-005 -- Saltair Facility;
Notice of Intent to Mine, Grantsville Facility.

Dear Lowell:

This letter confirms our understanding of discussions with you and Wayne Hedberg on behalf of the Utah Division of Oil, Gas & Mining (the "Division") and Denise Dragoo, Dave Kirkpatrick and Gary Price on behalf of Morton International, Inc. ("Morton"); regarding a telephone conference call on Wednesday, September 18, 1991. As we discussed, an agreement has been reached between Kennecott, Utah Copper Corporation ("Kennecott"), the North American Salt Company ("NAMSCO") and Morton by which Kennecott will acquire the Saltair Facility and the right to transfer Notice of Intent to Mine ("NOI") M-035-005 and Morton will acquire NAMSCO's Grantsville Facility effective as of closing on September 23, 1991.

Under the terms of the agreement, Kennecott will assume responsibility for the Saltair Facility. Upon assignment of NOI No. M-035-005 from Morton to Kennecott and Kennecott's assumption of the attendant legal obligations, including approval of form and amount of surety by the Board of Oil, Gas & Mining, the Division will release Morton from responsibility for the Saltair Facility under the Utah Mined Land Reclamation Act (the "Act").

At this point, there is no notice of intent for the Grantsville Facility. Although Morton does not concede that its activities at the Grantsville location fall within the scope of the Act, nevertheless, Morton is currently preparing an NOI for this location. The Division has recognized that Morton is making good faith efforts to comply with the Act and has allowed Morton

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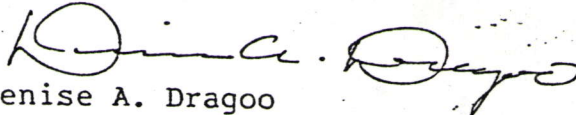
Mr. Lowell Braxton
September 20, 1991
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45 days from the date of this letter in which to submit an NOI for the Grantsville Facility.

The Division agrees that, if Morton submits the complete and technically adequate NOI in accordance with the Act and this schedule, and if the form and amount of surety are subsequently acceptable to the Board of Oil, Gas & Mining, the Division's concerns regarding Morton's timely efforts to permit and bond the operation will be met.

Please signify your agreement with Morton's understanding of our September 18, 1991 discussions as set forth above by signing below and return a copy of the executed confirmation to me in the enclosed, self-addressed envelope.


Very truly yours,


Denise A. Dragoo

DAD:jmc

cc: Dr. Dianne R. Nielson
Wayne Hedberg
James F. Fox, Esq.
Dave Kirkpatrick
Gary Price
Richard Pierce, Esq.
George D. Melling, Jr., Esq.

AGREED TO AND ACCEPTED this 20th day
of September, 1991, on behalf
of the Division by:


for LOWELL BRAXTON
Associate Director of Mining

RALPH H. MILLER
BRYCE E. ROE
GEORGE D. MELLING, JR.
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OF COUNSEL
PETER W. BILLINGS

HAND DELIVERED

September 17, 1991

ALGO
(M/045/037)

RECEIVED

SEP 18 1991

DIVISION OF
OIL GAS & MINING

Mr. Lowell Braxton
UTAH DIVISION OF OIL, GAS & MINING
355 West North Temple
3 Triad, Suite 350
Salt Lake City, Utah 84180-1203

RE: Notice of Termination of Operations --
Saltair Facility M-035-005;
Notice of Intent to Commence Operations --
Grantsville Facility

Dear Lowell:

On behalf of Morton International, Inc. ("Morton"), and pursuant to Utah Code Ann. § 40-8-21, we hereby notify you of Morton's intent to terminate operations at its Saltair facility under Notice of Intent to Mine ("NOI") No. M-035-005. An agreement has been reached between Kennecott, Utah Copper Company ("Kennecott"), the North American Salt Company ("NAMSCO") and Morton by which Kennecott will acquire the Saltair facility (M-035-005) and Morton will acquire NAMSCO's Grantsville facility effective as of closing on September 23, 1991.

Under the terms of the agreement, Kennecott will assume responsibility for the Saltair facility (M-035-005). Upon assignment of NOI No. M-035-005 from Morton to Kennecott, Morton requests a written release from responsibility for the Saltair facility under the Utah Mined Land Reclamation Act (the "Act").

As you are aware, both the Saltair and Grantsville facilities were operated prior to the 1975 enactment of the Act. The Saltair facility has been operated pursuant to Utah Code Ann. § 40-8-23(1) under NOI No. M-035-005, submitted on June 28, 1977. At this point, no notice of intent has been located for the Grantsville facility and Morton is currently preparing a new NOI

TO BE PERMITTED

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September 17, 1991
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for this location. Prior to submission of the NOI for the Grantsville location, Morton would like to meet with the Division to review several issues regarding bonding and reclamation. Morton would like to meet with the Division prior to September 23, 1991 to confirm a compliance schedule in writing.

We appreciate your assistance in this matter. We will arrange a conference call with you this afternoon to schedule a meeting and review the compliance status of the Grantsville facility.

Very truly yours,



Denise A. Dragoo

DAD:jmc

cc: Dr. Dianne R. Nielson
✓ Wayne Hedberg
James F. Fox, Esq.
Dave Kirkpatrick
Gary Price
Richard Pierce, Esq.
George D. Melling, Jr., Esq.

MANAGEMENT DIGEST



Utah Mining Association

Kearns Building, Salt Lake City, Utah 84101
(801) 364-1874

JUL 03 1991

DIVISION OF
OIL GAS & MINING

Vol. 46, No. 6 -- June, 1991

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UTAH BRIEFS: Four Utah mining firms have announced interrelated property trades and new business arrangements which will enable the firms to expand their activities in the state. (1) Kennecott has acquired Morton International's Saltair property, consisting of about 2,6000 acres at the north end of the Oquirrh Mountains. The property is adjacent to Kennecott's other copper holdings in the area, and will facilitate the firm's current \$270 million expansion. (2) Morton International will acquire North American Salt's large facility outside of Grantsville. The acquisition will enable Morton to expand its operations. Morton said that retooling the plant will require a sizeable investment and will lead to the hiring of more employees. (3) North American Salt will invest part of the proceeds from the property sale in Great Salt Lake Minerals' development of solar evaporation ponds and a new transportation channel on the west shore of the Great Salt Lake. (4) Great Salt Lake Minerals (GSL) will give North American Salt Company the right to market all of the salt byproduct which GSL extracts from its evaporation operations on the Great Salt Lake. The proposed trades, purchases and new business arrangements are expected to be approved by government agencies and the directors of each company by late September.

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Kennecott Corporation has given \$1 million to the University of Utah to create an undergraduate scholarship fund and \$250,000 to help restore part of Fort Douglas. The \$1 million will be used to fund 40 scholarships over the next 10 years. The \$250,000 will be used for historic restoration of the fort, whose first commander is considered the father of mining in Utah (and whose exploration and mining discoveries at Bingham Canyon paved the way for Kennecott's development). A drop in copper prices caused a 7 percent decrease in Kennecott's profits for 1990, despite a 4 percent increase in sales. The firm earned \$295 million on sales of \$930 million. Kennecott Canada has sold all of its interest in the Kemess gold area in British Columbia to El Condor Resources Ltd. for \$350 million.

Centurion Mines Corp. of Salt Lake City announced significant new developments at its Kings Canyon gold project in western Utah, which is being explored in a joint venture with Crown Resources Corporation. Centurion president Barry Katona said that results from 47 reverse circulation drill holes have now been received, and that the inferred geologic resource based on drilling to date is estimated at 200,000 ounces of gold. Only 200 acres of the 90,000 Kings Canyon property have been drilled thus far. The company believes there is a high potential for large-tonnage commercial open-pit mineable gold deposits similar to the